



PRESS RELEASE

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Identity Theft an Ongoing Concern on the IRS Annual "Dirty Dozen" List of Tax Scams to Avoid

IRS-CI Miami Field Office is on the front line of identity theft investigations

MIAMI — The Internal Revenue Service (IRS) recently issued a filing season alert to warn taxpayers about identity theft at tax time and highlighted the crime as the first scam in the agency's "Dirty Dozen" series.

Over the course of the past year, as part of the Security Summit initiative, the IRS partnered with state tax administrators and the tax industry to enhance coordination and create a more secure system for taxpayers.

Security Summit participants, including the IRS, will regularly share details of fraudulent schemes detected this season so that the IRS, states, and tax industry will all have the same information and can adjust accordingly to provide increased protection for taxpayers. Many changes will be invisible to taxpayers, but the more than 20 shared data elements are critical to making sure the IRS, states, and tax industry can better verify individual taxpayers and the legitimacy of their tax returns.

"Our collaborative efforts with the Security Summit have given the IRS additional tools to stop fraudulent returns at the door," said IRS Commissioner John Koskinen. "The criminals continue to look for increasingly sophisticated ways to breach the tax system. While the IRS has improved prevention and detection efforts, we're calling on taxpayers to protect their private information so thieves can't steal personal data to file fraudulent returns."

The IRS also joined with the tax industry and states on a public awareness campaign to provide taxpayers with easy tips to better protect themselves. The "Taxes. Security. Together." campaign includes YouTube videos, tax tips, and fact sheets to help taxpayers stay safe online.

“IRS Criminal Investigation is always on the look-out for suspicious activity, and our special agents are experts when it comes to delving beneath the surface and locating the fraud hiding below,” said Kelly R. Jackson, Special Agent in Charge, Internal Revenue Service, Criminal Investigation, Miami Field Office. “Identity theft not only harms the victim whose information has been stolen, but hurts all taxpayers. IRS Criminal Investigation takes identity theft cases very seriously, and our field office will continue to be on the front line fighting this fraud on behalf of the citizens of South Florida.”

Over the past three fiscal years, Criminal Investigation (CI) helped convict approximately 2,000 identity thieves. In fiscal year 2015, the IRS initiated 776 identity theft related investigations, which resulted in 774 sentencings through CI enforcement efforts. The courts continue to impose significant jail time with the average months to serve in fiscal year 2015 being 38 months — with the longest sentencing being over 27 years.

In the Southern District of Florida alone, the following criminals were recently sentenced for their roles in identity theft schemes:

Five Defendants Sentenced in Extensive Stolen Identity Tax Refund Fraud Scheme

On February 8, 2016, in Fort Lauderdale, Ronald Jerome Scriven and Danesa Latoya Webb were sentenced to 108 months and 54 months in prison, respectively. Scriven was ordered to pay restitution of \$7,521,485; Webb was ordered to pay \$3,271,603. Three additional co-conspirators were previously sentenced to terms in prison ranging from 18 to 31 months, and were ordered to pay restitution totaling \$2,196,035. According to court documents, Scriven created nine business entities, seven of which were tax preparation businesses using his name, the names of co-conspirators, or the names of individuals whose identities were stolen. Scriven, Webb, and others obtained electronic filing identification numbers (EFINs) from the IRS for the seven tax preparation businesses to electronically submit false tax returns. Scriven, and other co-conspirators, used personal identifying information (PII) of recruited taxpayers and others, both living and deceased, to submit false tax returns. Fees totaling \$700,000 were deducted from the tax refunds and deposited into bank accounts controlled by the co-conspirators. Scriven and Webb printed refund checks in the names of taxpayers whose identities were used to file the false tax returns. Some of the co-conspirators accompanied these taxpayers to cash the refund checks and would then demand a substantial portion of the proceeds obtained from the cashed checks.

Three Florida Residents Sentenced for Stolen Identity Tax Fraud Scheme

On January 26, 2016, in West Palm Beach, Latonia Verdell was sentenced to 94 months in prison and ordered to pay restitution of \$947,296 for her participation in a stolen identity refund fraud (SIRF) scheme. Co-defendant Kelli Witherspoon McIntosh was sentenced to 36 months in prison and ordered to pay restitution of \$775,242. Starling Willis was sentenced to 33 months in prison and ordered to pay restitution of \$32,551, jointly with Verdell. According to court documents, the trio participated in a widespread SIRF scheme involving at least 790 stolen identities and personal identification information (PII). This scheme resulted in the submission to the IRS of more than 590 fraudulent returns in the names of other persons, seeking approximately \$1.5 million in fraudulent income tax refunds.

Floridians Sentenced for Their Roles in Massive Identity Theft Refund Fraud Scheme

On January 4, 2016, in West Palm Beach, Lukner Blanc was sentenced to 192 months in prison and ordered to pay restitution of \$733,563. Blanc was convicted of conspiracy to receive, conceal or retain monies stolen from the United States; wire fraud; receiving, concealing and retaining monies stolen from the United States; and aggravated identity theft. Blanc and his co-conspirators attempted to obtain more than \$1.2 million in unauthorized income tax refunds. They received more than \$700,000 in fraudulent tax refund payments, which were sent to bank

accounts and pre-paid debit cards they controlled. Co-conspirators previously sentenced were Benoit Placide who was sentenced to 120 months in prison and ordered to pay restitution of \$742,955. Jean Juste was sentenced to 84 months in prison and ordered to pay restitution of \$668,947. Shelda Phadel was sentenced to 18 months in prison and ordered to pay restitution in the amount of \$13,327. Marie Claude and Marie Demesyeux were both sentenced to time served. Frank Fleuzinord is a fugitive.

Florida Resident Sentenced for Identity Theft Scheme

On December 14, 2015, in Miami, Christopher M. Mack was sentenced to 102 months in prison for operating a scheme to skim credit card numbers from the customers of a restaurant, manufacture counterfeit credit cards, and file false federal income tax returns. Mack previously pled guilty to possession of 15 or more counterfeit and unauthorized access devices, possession of device-making equipment, and aggravated identity theft. Mack's residence contained a magnetic stripe encoder, a credit card skimmer, over 100 counterfeit credit cards embossed with Mack's name, personal identifying information of approximately 600 individuals, 1,000 social security numbers, and approximately \$200,000 worth of money order receipts. Mack kept notebook entries detailing the filing of federal tax returns, which corresponded to fraudulently filed tax returns submitted to the IRS.

The IRS understands that identity theft is a frustrating, complex process for victims. While identity thieves steal information from sources outside the tax system, the IRS is often the first to inform a victim that identity theft occurred. The IRS is working hard to resolve identity theft cases as quickly as possible.

For more information, see the special identity theft section on [IRS.gov](https://www.irs.gov).

For a complete list of the IRS' annual "Dirty Dozen" list of tax scams to avoid, visit:

<https://www.irs.gov/uac/Newsroom/IRS-Wraps-Up-the-Dirty-Dozen-List-of-Tax-Scams-for-2016>

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